**DECISION ON THE STRUCTURE OF THE BUDGET
AND MODALITY OF FUNDING
DOC. EX.CL/246 (IX)**

The Executive Council:

1. TAKES NOTE of the report;
2. **DECIDES** that the funding of the Budget shall be as follows:
3. Staff costs, operating expenses, statutory meetings and selected top priority programmes/projects shall be assessed on Member States;
4. The remaining programme cost shall be financed through donors contributions.

**3 ALSO DECIDES** as follows;

1. The Union shall have one integrated budget;
2. The Assembly shall determine the budget ceiling for the budget in accordance with the following principles:
3. When preparing the budget, the Commission should present the status of contributions received from Member States;
4. In no case should any change in the structure of the budget entail a budgetary increase that could affect the contributing capacity of Member States;
5. The formula of the integrated budget should not be considered as the mechanical merger of the two parts of the budget (operating cost and programme budget);
6. The principle of ownership and opening up to partners should be taken into consideration during the preparation of the budget;
7. The principle of reinforcing sanctions against defaulting Member States will be further studied after the Banjul Summit;
8. Member States should actively contribute to the funding of projects and programmes;
9. The budget ceiling will be determined according to objective economic parameters such as average GDP growth rates in Member countries, inflation, etc.;
10. The Scale of Assessment adopted in Sirte, Libya in July 2005 makes it possible to take into account the ability of Member States to pay.
11. **ENCOURAGES** Partners/Donors of the Union to work jointly with the Commission towards realization of budgetary support.